



ILLINOIS CHAMBER OF COMMERCE

Thank you for the opportunity to offer comments on the Illinois Commerce Commission's white paper on electric resource adequacy in MISO Zone 4. The Illinois Chamber of Commerce is the leading business organization in the State of Illinois, representing the broader business community. Businesses large to small, manufacturers, hospitals, telecom companies, construction trades, local chambers of commerce and many others depend on us to advocate for equitable policies that grow Illinois' economy.

The Illinois Chamber understands the concerns raised that there may be future electric resource adequacy issues in MISO Zone 4 and that stakeholders may need to take steps to support reliable, competitive energy resources in downstate Illinois. The Illinois Chamber encourages the ICC's working group process to study the unique situation of MISO Zone 4. This issue warrants a thorough review to determine the extent of resource adequacy deficiencies – such as if any severe resource issues exist that cannot be resolved in the current MISO market structure - and the extent the state should act to address this issue. This also raises questions for what these potential changes, if any, will mean for consumers, regulators, utilities and others, and how the system will operate moving forward.

General Comments

As this process moves forward, the Chamber encourages that the resulting solutions, if any are deemed necessary, be mindful of the cost implications for consumers in MISO Zone 4—both the costs of potential solutions and the possible costs of no action. As such, we must weigh the need for ensuring reliability with keeping costs as competitive as possible for the residential, commercial, and industrial users of the region. As stakeholders consider the four policy options presented by the ICC white paper, the Illinois Chamber encourages stakeholders to consider the importance of maintaining competitive energy costs and maintaining a market-based structure to buy and sell various energy products.

1. Competitive energy costs

We understand it is imperative to ensure that Illinois has the long-term energy resources it needs to keep our economy moving and the public safe and healthy. With that, we need to also ensure that while Illinois strives to operate electricity efficiently and responsibly, it maintains its leadership of competitive energy costs. Competitive electricity rates in Illinois help retain businesses. Further, price and reliability are not mutually exclusive. That should continue.

The Illinois Chamber is committed to the development of long term policies that encourage sustainable economic growth. Electricity bills for businesses are some of their highest costs and

energy rates are critical to the growth of Illinois' economy, particularly the commercial and industrial, and small and large manufacturing sectors – which are critical to job growth in Illinois.

We encourage stakeholders to be continually mindful that energy costs are vital to the competitiveness of energy-intensive industries, such as manufacturers, hospitals, and data centers, and are critical to economic development statewide. Whatever resource adequacy solution is selected – or if no solution is implemented – the analysis should consider the impact on businesses' ability to manage costs and make investment decisions.

2. Market-based Solutions that Promote Competition

We encourage stakeholders to focus on ensuring recommendations are market-based, drive competition, are fuel-neutral, and strive to ensure a level playing field for all market participants and recipients. With that, the State needs to ensure any framework is not too prescriptive and leaves room for the next innovation to thrive under a market-based system.

The resulting solution should encourage promoting competition among energy and technology resources and not facilitate the success of any one type over another. Competition has kept electricity affordable for residential, commercial, and industrial consumers and leads to economic growth. The more access we have to affordable energy, the more opportunities we as a society have to advance ourselves, grow our economy and care for our planet. Legislative or regulatory mandates impede the functioning of competitive markets and can raise energy costs needlessly.

We encourage this process to continue ensuring that Illinois' energy market design promotes competition to safeguard efficient market outcomes that deliver reliable, affordable electricity to customers.

Working Group Structure

The Illinois Chamber encourages the ICC to establish a thorough stakeholder engagement process that captures a wide variety of input and is as open and transparent as possible. Energy fuels our lives and our economy. It's important to include the voices of those that benefit and use the electric network, as well as those that provide us with electricity.